

Buy EUR 2.90 (EUR 3.40) Price EUR 2.70 Upside 7.4 %	Value Indicators: EUR DCF: 2.91	Warburg ESG Risk Score: 1.3 ESG Score (MSCI based): 3.0 Balance Sheet Score: 1.0 Market Liquidity Score: 0.0	Description: Media company with its own content and distribution channels
	Market Snapshot: EUR m Market cap: 41.35 No. of shares (m): 15.31 EV: 40.09 Freefloat MC: 4.91 Ø Trad. Vol. (30d): 2.23 th	Shareholders: Freefloat 11.87 % Kartoon Studios 44.78 % F&M 26.10 % Christoph Kahl 17.25 %	Key Figures (WRe): 2023e Beta: 1.3 Price / Book: 2.0 x Equity Ratio: 85 %

Revenue hit by weakness in advertising and streaming markets

Stated Figures H1/2023: in EUR m	<table border="1"> <thead> <tr> <th></th> <th>6M/23</th> <th>6M/23e</th> <th>6M/22</th> <th>yoy</th> </tr> </thead> <tbody> <tr> <td>Sales</td> <td>1.5</td> <td>2.3</td> <td>2.5</td> <td>-40.7%</td> </tr> <tr> <td>EBITDA margin</td> <td>85.3%</td> <td>56.5%</td> <td>64.0%</td> <td>-20.9%</td> </tr> <tr> <td>EBIT margin</td> <td>47.3%</td> <td>30.4%</td> <td>34.0%</td> <td>-17.4%</td> </tr> <tr> <td>EPS in EUR</td> <td>0.04</td> <td>0.04</td> <td>0.06</td> <td>-33.3%</td> </tr> </tbody> </table>		6M/23	6M/23e	6M/22	yoy	Sales	1.5	2.3	2.5	-40.7%	EBITDA margin	85.3%	56.5%	64.0%	-20.9%	EBIT margin	47.3%	30.4%	34.0%	-17.4%	EPS in EUR	0.04	0.04	0.06	-33.3%	Comment on Figures: <ul style="list-style-type: none"> On September 28, 2023, Your Family Entertainment AG presented the financial results for the first half of the fiscal year 2023. In terms of revenue, these results fell significantly short of the expectations. However, high other operating income meant that the earnings expectation was still met.
	6M/23	6M/23e	6M/22	yoy																							
Sales	1.5	2.3	2.5	-40.7%																							
EBITDA margin	85.3%	56.5%	64.0%	-20.9%																							
EBIT margin	47.3%	30.4%	34.0%	-17.4%																							
EPS in EUR	0.04	0.04	0.06	-33.3%																							

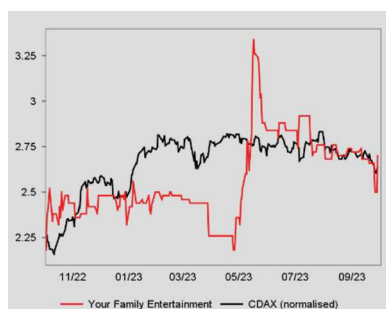
The operational performance in the first half of the year was well below expectations in terms of sales. It was also cast against a strong comparison base in H1/22, which included a large deal with the major shareholding company and cooperation partner Kartoon Studios, Inc. / former Genius Brands.

Even though extensive contract agreements were negotiated and established, they did not generate revenue during the first half of 2023. Your Family Entertainment AG focused its efforts on servicing major customers in the German-speaking region but the market environment proved to be challenging during the first six months in light of economic weaknesses in the advertising and streaming markets. However, the company is confident in its ability to generate significant business in this field in the future.

Exceptional operating income: The bottom-line results met expectations, as exceptional other operating income of EUR 1.7m (0.9) was generated (non-recurring write-ups on film assets). As this effect probably will not reoccur in H2, the estimates (WRe) have been revised.

In light of an adjusted model (DCF), the stock is still rated as Buy, with a target price of EUR 2.90 (3.40).

Changes in Estimates: FY End: 31.12. in EUR m	<table border="1"> <thead> <tr> <th>2023e (old)</th> <th>+ / -</th> <th>2024e (old)</th> <th>+ / -</th> <th>2025e (old)</th> <th>+ / -</th> </tr> </thead> <tbody> <tr> <td>5.00</td> <td>-20.0 %</td> <td>5.75</td> <td>-13.0 %</td> <td>6.44</td> <td>-13.0 %</td> </tr> <tr> <td>1.52</td> <td>-25.7 %</td> <td>1.76</td> <td>-47.9 %</td> <td>2.21</td> <td>-49.0 %</td> </tr> <tr> <td>0.08</td> <td>-25.0 %</td> <td>0.09</td> <td>-55.6 %</td> <td>0.12</td> <td>-50.0 %</td> </tr> </tbody> </table>	2023e (old)	+ / -	2024e (old)	+ / -	2025e (old)	+ / -	5.00	-20.0 %	5.75	-13.0 %	6.44	-13.0 %	1.52	-25.7 %	1.76	-47.9 %	2.21	-49.0 %	0.08	-25.0 %	0.09	-55.6 %	0.12	-50.0 %	Comment on Changes: <ul style="list-style-type: none"> Weak revenue levels expected for the rest of 2023 after a disappointing H1 2023 earnings bolstered by write-up (potentially non-recurring) Operative expectations lowered (WRe)
2023e (old)	+ / -	2024e (old)	+ / -	2025e (old)	+ / -																					
5.00	-20.0 %	5.75	-13.0 %	6.44	-13.0 %																					
1.52	-25.7 %	1.76	-47.9 %	2.21	-49.0 %																					
0.08	-25.0 %	0.09	-55.6 %	0.12	-50.0 %																					

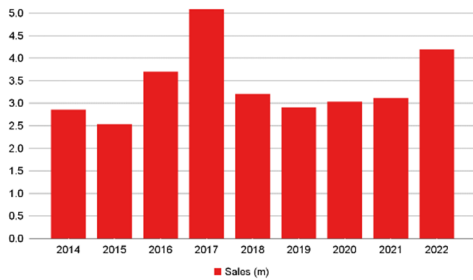


Rel. Performance vs CDAX:	
1 month:	2.4 %
6 months:	24.7 %
Year to date:	9.8 %
Trailing 12 months:	1.8 %

Company events:	

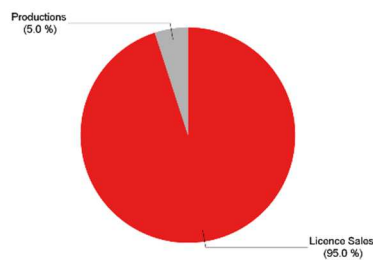
FY End: 31.12. in EUR m	CAGR (22-25e)	2019	2020	2021	2022	2023e	2024e	2025e
Sales	10.1 %	2.91	3.04	3.11	4.20	4.00	5.00	5.60
Change Sales yoy		-9.3 %	4.3 %	2.6 %	34.8 %	-4.7 %	25.0 %	12.0 %
Gross profit margin		60.7 %	67.8 %	65.2 %	73.6 %	73.0 %	73.0 %	73.0 %
EBITDA	2.2 %	-0.04	1.47	1.76	3.15	2.96	2.95	3.36
Margin		-1.2 %	48.3 %	56.7 %	74.9 %	74.0 %	59.0 %	60.0 %
EBIT	-3.4 %	-2.09	0.31	0.34	1.25	1.13	0.92	1.13
Margin		-71.8 %	10.2 %	11.0 %	29.8 %	28.3 %	18.4 %	20.1 %
Net income	0.5 %	-2.37	0.05	-0.08	0.84	0.85	0.66	0.85
EPS	6.3 %	-0.23	0.00	-0.01	0.05	0.06	0.04	0.06
EPS adj.	6.3 %	-0.23	0.00	-0.01	0.05	0.06	0.04	0.06
DPS	-	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Dividend Yield		n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
FCFPS		-0.05	-0.01	-0.01	-0.06	0.06	0.04	0.06
FCF / Market cap		-3.9 %	-0.8 %	-1.0 %	-2.5 %	2.2 %	1.4 %	2.6 %
EV / Sales		6.8 x	6.2 x	7.3 x	9.0 x	10.0 x	7.9 x	6.3 x
EV / EBITDA		n.a.	12.9 x	12.9 x	12.1 x	13.5 x	13.4 x	10.6 x
EV / EBIT		n.a.	61.1 x	66.5 x	30.3 x	35.5 x	43.0 x	31.4 x
P / E		n.a.	n.a.	n.a.	50.0 x	45.0 x	67.5 x	41.7 x
P / E adj.		n.a.	n.a.	n.a.	50.0 x	45.0 x	67.5 x	41.7 x
FCF Potential Yield		-0.2 %	7.7 %	7.7 %	8.3 %	7.4 %	7.6 %	9.5 %
Net Debt		7.89	7.99	8.46	-0.36	-1.25	-1.85	-2.83
ROCE (NOPAT)		n.a.	1.8 %	2.7 %	6.8 %	5.8 %	4.9 %	5.8 %
Guidance:	n.a.							

Sales development in EUR m



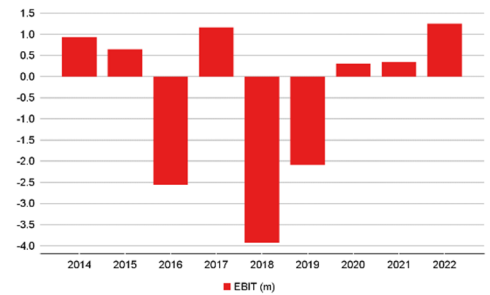
Source: Warburg Research

Sales by segments 2023e; in %



Source: Warburg Research

EBIT development in EUR m



Source: Warburg Research

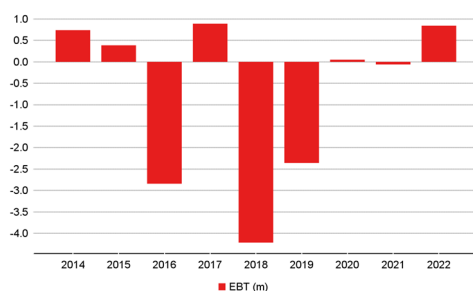
Company Background

- Your Family Entertainment originated from the former RTV AG
- At the core of the business activity is the company's own film assets as well as licences and rights that are utilised by the company to generate value
- Today, the company focuses on generating value from the content (which includes classics like "Fix and Foxi", Enid Blyton, and "Urmel") as well as the marketing of ancilliary rights
- The content, which is almost entirely over 50 years old, is aimed at the target group of young children for which the content has proven to be consistently up-to-date and attractive
- Value is generated over four distribution channels: linear TV licence sales, VoD licence sales, the company's own free-TV channel Ric, and the company's own pay-TV channel stream "Fix and Foxi"

Competitive Quality

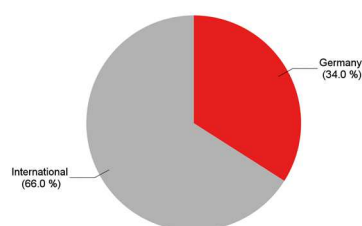
- The group's media catalogue, for which the original acquisition costs were ca. EUR 120m, is practically impossible to replicate today (original production value EUR 1.2bn)
- The productions, which were often financed by public broadcasters in the past, are of very high quality editorially and in terms of their craftsmanship
- With the distribution channels free-TV, VoD, and pay-TV, the company can benefit from the increase in media use, especially internationally (e.g. pay-TV in emerging economies)

EBT development in EUR m



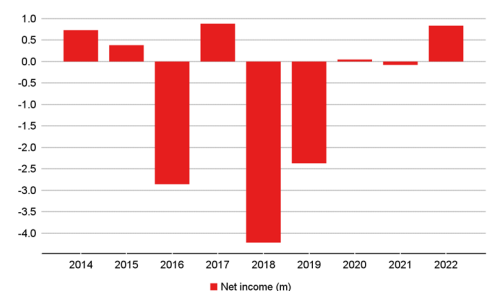
Source: Warburg Research

Sales by regions 2022; in %



Source: Warburg Research

Net income development in EUR m



Source: Warburg Research

DCF model

Figures in EUR m	Detailed forecast period			Transitional period										Term. Value
	2023e	2024e	2025e	2026e	2027e	2028e	2029e	2030e	2031e	2032e	2033e	2034e	2035e	
Sales	4.00	5.00	5.60	6.27	7.02	7.87	8.81	9.87	11.05	12.38	13.87	15.53	17.08	
Sales change	-4.7 %	25.0 %	12.0 %	12.0 %	12.0 %	12.0 %	12.0 %	12.0 %	12.0 %	12.0 %	12.0 %	12.0 %	10.0 %	2.0 %
EBIT	1.13	0.92	1.13	1.57	2.11	2.75	3.35	3.75	4.20	4.70	5.27	5.90	6.49	
EBIT-margin	28.3 %	18.4 %	20.1 %	25.0 %	30.0 %	35.0 %	38.0 %	38.0 %	38.0 %	38.0 %	38.0 %	38.0 %	38.0 %	
Tax rate (EBT)	-2.5 %	-7.4 %	-2.5 %	12.0 %	12.0 %	12.0 %	12.0 %	12.0 %	12.0 %	12.0 %	12.0 %	12.0 %	12.0 %	
NOPAT	1.16	0.99	1.16	1.38	1.85	2.42	2.95	3.30	3.70	4.14	4.64	5.19	5.71	
Depreciation	1.83	2.03	2.23	1.57	1.76	1.97	2.20	2.47	2.76	3.09	3.47	3.88	4.27	
in % of Sales	45.7 %	40.6 %	39.9 %	25.0 %	25.0 %	25.0 %	25.0 %	25.0 %	25.0 %	25.0 %	25.0 %	25.0 %	25.0 %	
Changes in provisions	0.00	0.00	0.00	-0.03	0.00	0.00	-0.02	-0.01	-0.06	-0.06	-0.06	-0.05	-0.05	
Change in Liquidity from														
- Working Capital	-0.01	0.10	-0.10	-0.20	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
- Capex	1.80	2.00	2.20	1.57	1.76	1.97	2.20	2.47	2.76	3.09	3.47	3.88	4.27	
Capex in % of Sales	45.0 %	40.0 %	39.3 %	25.0 %	25.0 %	25.0 %	25.0 %	25.0 %	25.0 %	25.0 %	25.0 %	25.0 %	25.0 %	
- Other	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Free Cash Flow (WACC Model)	1.20	0.92	1.29	1.55	1.86	2.42	2.92	3.29	3.64	4.08	4.57	5.14	5.67	6
PV of FCF	1.18	0.82	1.06	1.17	1.27	1.51	1.67	1.71	1.73	1.77	1.81	1.86	1.87	25
share of PVs	6.94 %			37.10 %										55.97 %

Model parameter

Derivation of WACC:		Derivation of Beta:	
Debt ratio	5.00 %	Financial Strength	1.30
Cost of debt (after tax)	2.5 %	Liquidity (share)	1.30
Market return	8.25 %	Cyclicality	1.30
Risk free rate	2.75 %	Transparency	1.30
		Others	1.30
WACC	9.53 %	Beta	1.30

Valuation (m)

Present values 2035e	19		
Terminal Value	25		
Financial liabilities	2		
Pension liabilities	0		
Hybrid capital	0		
Minority interest	0		
Market val. of investments	0		
Liquidity	3	No. of shares (m)	15.3
Equity Value	45	Value per share (EUR)	2.91

Sensitivity Value per Share (EUR)

Beta	WACC	Terminal Growth							Beta	WACC	Delta EBIT-margin						
		1.25 %	1.50 %	1.75 %	2.00 %	2.25 %	2.50 %	2.75 %			-1.5 pp	-1.0 pp	-0.5 pp	+0.0 pp	+0.5 pp	+1.0 pp	+1.5 pp
1.49	10.5 %	2.39	2.42	2.45	2.49	2.53	2.57	2.61	1.49	10.5 %	2.39	2.42	2.46	2.49	2.53	2.56	2.60
1.40	10.0 %	2.56	2.60	2.64	2.69	2.73	2.78	2.83	1.40	10.0 %	2.57	2.61	2.65	2.69	2.72	2.76	2.80
1.35	9.8 %	2.66	2.70	2.74	2.79	2.84	2.90	2.95	1.35	9.8 %	2.67	2.71	2.75	2.79	2.83	2.87	2.91
1.30	9.5 %	2.76	2.81	2.85	2.91	2.96	3.02	3.09	1.30	9.5 %	2.78	2.83	2.87	2.91	2.95	2.99	3.03
1.25	9.3 %	2.87	2.92	2.97	3.03	3.09	3.16	3.23	1.25	9.3 %	2.90	2.94	2.99	3.03	3.07	3.11	3.16
1.20	9.0 %	2.99	3.04	3.10	3.16	3.23	3.30	3.38	1.20	9.0 %	3.03	3.07	3.12	3.16	3.21	3.25	3.29
1.11	8.5 %	3.24	3.31	3.38	3.46	3.54	3.63	3.73	1.11	8.5 %	3.31	3.36	3.41	3.46	3.51	3.55	3.60

- EBIT and depreciation are historically strongly distorted by the value effects of the film assets
- These will be evened out in future by notionally assuming identical appreciation and depreciation of the film assets
- The fundamental assumption framework implies an expansion (also in the very long term) of the customer base
- As a central assumption, this leads to a long-term continuous increase in the EBIT margin
- The contentious issue of the lifespan of the portfolio is simulated with a very low terminal value

Valuation	2019	2020	2021	2022	2023e	2024e	2025e
Price / Book	1.5 x	1.3 x	1.7 x	1.9 x	2.0 x	1.9 x	1.7 x
Book value per share ex intangibles	-8.36	-8.42	-8.82	0.07	0.13	0.17	0.23
EV / Sales	6.8 x	6.2 x	7.3 x	9.0 x	10.0 x	7.9 x	6.3 x
EV / EBITDA	n.a.	12.9 x	12.9 x	12.1 x	13.5 x	13.4 x	10.6 x
EV / EBIT	n.a.	61.1 x	66.5 x	30.3 x	35.5 x	43.0 x	31.4 x
EV / EBIT adj.*	n.a.	61.1 x	66.5 x	30.3 x	35.5 x	43.0 x	31.4 x
P / FCF	n.a.	n.a.	n.a.	n.a.	46.4 x	69.5 x	39.1 x
P / E	n.a.	n.a.	n.a.	50.0 x	45.0 x	67.5 x	41.7 x
P / E adj.*	n.a.	n.a.	n.a.	50.0 x	45.0 x	67.5 x	41.7 x
Dividend Yield	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
FCF Potential Yield (on market EV)	-0.2 %	7.7 %	7.7 %	8.3 %	7.4 %	7.6 %	9.5 %

*Adjustments made for: Theoretical changes in the value of the film assets

Consolidated profit & loss

In EUR m	2019	2020	2021	2022	2023e	2024e	2025e
Sales	2.91	3.04	3.11	4.20	4.00	5.00	5.60
Change Sales yoy	-9.3 %	4.3 %	2.6 %	34.8 %	-4.7 %	25.0 %	12.0 %
Increase / decrease in inventory	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Own work capitalised	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Sales	2.91	3.04	3.11	4.20	4.00	5.00	5.60
Material expenses	1.14	0.98	1.09	1.11	1.08	1.35	1.51
Gross profit	1.77	2.06	2.03	3.09	2.92	3.65	4.09
<i>Gross profit margin</i>	<i>60.7 %</i>	<i>67.8 %</i>	<i>65.2 %</i>	<i>73.6 %</i>	<i>73.0 %</i>	<i>73.0 %</i>	<i>73.0 %</i>
Personnel expenses	1.22	1.25	1.08	1.31	1.08	1.30	1.40
Other operating income	0.41	1.52	1.78	3.04	2.52	2.25	2.52
Other operating expenses	1.00	0.86	0.96	1.68	1.40	1.65	1.85
Unfrequent items	0.00	0.00	0.00	0.00	0.00	0.00	0.00
EBITDA	-0.04	1.47	1.76	3.15	2.96	2.95	3.36
<i>Margin</i>	<i>-1.2 %</i>	<i>48.3 %</i>	<i>56.7 %</i>	<i>74.9 %</i>	<i>74.0 %</i>	<i>59.0 %</i>	<i>60.0 %</i>
Depreciation of fixed assets	0.03	0.00	0.00	0.01	0.03	0.03	0.03
EBITA	-0.06	1.46	1.76	3.14	2.93	2.92	3.33
Amortisation of intangible assets	2.03	1.15	1.42	1.88	1.80	2.00	2.20
Goodwill amortisation	0.00	0.00	0.00	0.00	0.00	0.00	0.00
EBIT	-2.09	0.31	0.34	1.25	1.13	0.92	1.13
<i>Margin</i>	<i>-71.8 %</i>	<i>10.2 %</i>	<i>11.0 %</i>	<i>29.8 %</i>	<i>28.3 %</i>	<i>18.4 %</i>	<i>20.1 %</i>
EBIT adj.	-2.09	0.31	0.34	1.25	1.13	0.92	1.13
Interest income	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Interest expenses	0.27	0.26	0.40	0.41	0.30	0.30	0.30
Other financial income (loss)	0.00	0.00	0.00	0.00	0.00	0.00	0.00
EBT	-2.36	0.05	-0.06	0.84	0.83	0.62	0.83
<i>Margin</i>	<i>-81.1 %</i>	<i>1.7 %</i>	<i>-2.0 %</i>	<i>20.1 %</i>	<i>20.8 %</i>	<i>12.4 %</i>	<i>14.8 %</i>
Total taxes	0.01	0.00	0.02	0.01	-0.02	-0.05	-0.02
Net income from continuing operations	-2.37	0.05	-0.08	0.84	0.85	0.66	0.85
Income from discontinued operations (net of tax)	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net income before minorities	-2.37	0.05	-0.08	0.84	0.85	0.66	0.85
Minority interest	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net income	-2.37	0.05	-0.08	0.84	0.85	0.66	0.85
<i>Margin</i>	<i>-81.5 %</i>	<i>1.6 %</i>	<i>-2.5 %</i>	<i>19.9 %</i>	<i>21.3 %</i>	<i>13.3 %</i>	<i>15.1 %</i>
Number of shares, average	10.29	10.46	10.46	15.31	15.31	15.31	15.31
EPS	-0.23	0.00	-0.01	0.05	0.06	0.04	0.06
EPS adj.	-0.23	0.00	-0.01	0.05	0.06	0.04	0.06

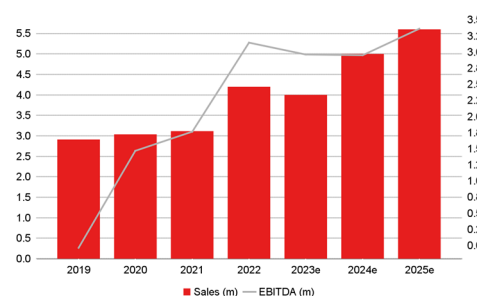
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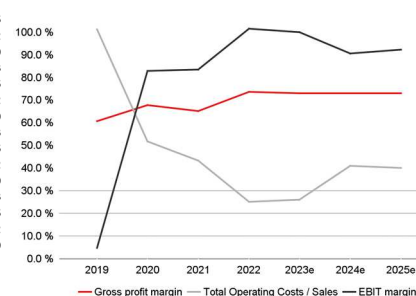
Financial Ratios

	2019	2020	2021	2022	2023e	2024e	2025e
Total Operating Costs / Sales	101.2 %	51.7 %	43.3 %	25.1 %	26.0 %	41.0 %	40.0 %
Operating Leverage	5.0 x	n.a.	3.8 x	7.7 x	2.0 x	-0.7 x	1.9 x
EBITDA / Interest expenses	n.m.	5.6 x	4.4 x	7.7 x	9.9 x	9.8 x	11.2 x
Tax rate (EBT)	-0.5 %	6.8 %	-28.8 %	1.0 %	-2.5 %	-7.4 %	-2.5 %
Dividend Payout Ratio	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Sales per Employee	171,196	252,946	259,488	349,864	266,667	333,333	373,333

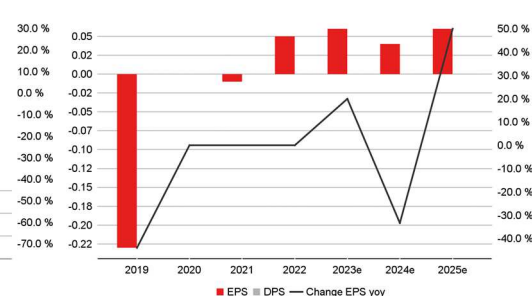
Sales, EBITDA
in EUR m



Operating Performance
in %



Performance per Share



Source: Warburg Research

Source: Warburg Research

Source: Warburg Research

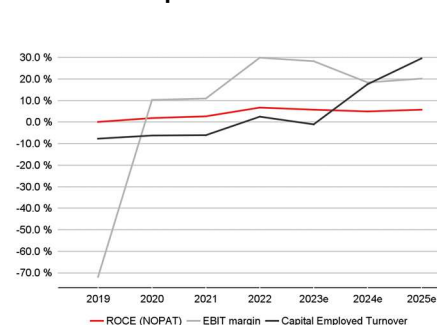
Consolidated balance sheet

In EUR m	2019	2020	2021	2022	2023e	2024e	2025e
Assets							
Goodwill and other intangible assets	16.36	16.65	16.96	19.22	19.22	19.22	19.22
thereof other intangible assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00
thereof Goodwill	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Property, plant and equipment	0.03	0.02	0.01	0.01	-0.02	-0.05	-0.08
Financial assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other long-term assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Fixed assets	16.39	16.67	16.97	19.22	19.20	19.17	19.13
Inventories	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Accounts receivable	0.41	0.35	0.35	0.56	0.50	0.70	0.70
Liquid assets	1.07	0.23	0.00	3.17	4.06	4.66	5.64
Other short-term assets	0.07	0.05	0.25	1.05	1.05	1.05	1.05
Current assets	1.55	0.62	0.60	4.79	5.62	6.41	7.39
Total Assets	17.90	17.30	17.60	24.00	24.80	25.60	26.50
Liabilities and shareholders' equity							
Subscribed capital	10.27	10.39	10.39	15.31	15.31	15.31	15.31
Capital reserve	2.78	2.84	2.84	9.27	9.27	9.27	9.27
Retained earnings	-5.06	-5.01	-5.09	-4.27	-3.41	-2.75	-1.90
Other equity components	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Shareholders' equity	7.99	8.22	8.14	20.32	21.17	21.83	22.68
Minority interest	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total equity	7.99	8.22	8.14	20.32	21.17	21.83	22.68
Provisions	0.82	0.80	0.90	0.87	0.87	0.87	0.87
thereof provisions for pensions and similar obligations	0.35	0.35	0.35	0.34	0.34	0.34	0.34
Financial liabilities (total)	8.61	7.87	8.11	2.47	2.47	2.47	2.47
Short-term financial liabilities	4.24	3.49	3.74	0.00	0.00	0.00	0.00
Accounts payable	0.43	0.34	0.41	0.35	0.30	0.40	0.50
Other liabilities	0.07	0.08	0.01	0.01	0.01	0.01	0.01
Liabilities	9.92	9.08	9.43	3.69	3.64	3.74	3.84
Total liabilities and shareholders' equity	17.90	17.30	17.60	24.00	24.80	25.60	26.50

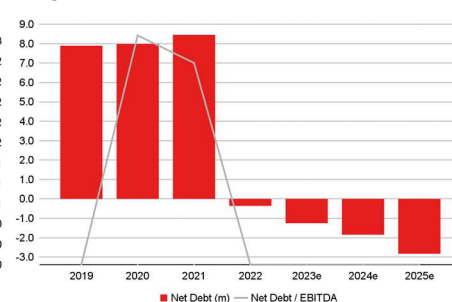
Financial Ratios

	2019	2020	2021	2022	2023e	2024e	2025e
Efficiency of Capital Employment							
Operating Assets Turnover	-339.6 x	110.0 x	-63.5 x	19.2 x	22.5 x	20.2 x	47.9 x
Capital Employed Turnover	0.2 x	0.2 x	0.2 x	0.2 x	0.2 x	0.3 x	0.3 x
ROA	-14.5 %	0.3 %	-0.5 %	4.3 %	4.4 %	3.5 %	4.4 %
Return on Capital							
ROCE (NOPAT)	n.a.	1.8 %	2.7 %	6.8 %	5.8 %	4.9 %	5.8 %
ROE	-25.8 %	0.6 %	-1.0 %	5.9 %	4.1 %	3.1 %	3.8 %
Adj. ROE	-25.8 %	0.6 %	-1.0 %	5.9 %	4.1 %	3.1 %	3.8 %
Balance sheet quality							
Net Debt	7.89	7.99	8.46	-0.36	-1.25	-1.85	-2.83
Net Financial Debt	7.54	7.64	8.11	-0.70	-1.59	-2.19	-3.17
Net Gearing	98.8 %	97.1 %	103.9 %	-1.8 %	-5.9 %	-8.5 %	-12.5 %
Net Fin. Debt / EBITDA	n.a.	520.8 %	459.4 %	n.a.	n.a.	n.a.	n.a.
Book Value / Share	8.0	8.2	8.1	1.3	1.4	1.4	1.5
Book value per share ex intangibles	-8.4	-8.4	-8.8	0.1	0.1	0.2	0.2

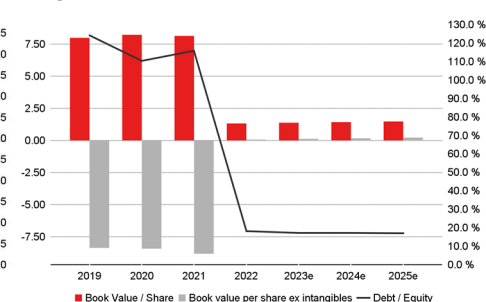
ROCE Development



Net debt in EUR m



Book Value per Share in EUR



Source: Warburg Research

Source: Warburg Research

Source: Warburg Research

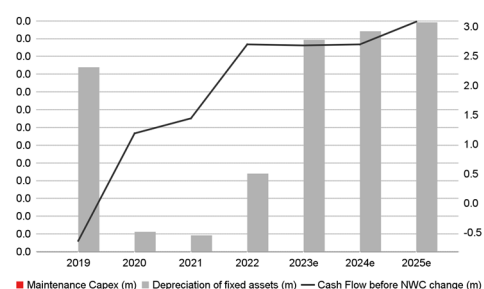
Consolidated cash flow statement

In EUR m	2019	2020	2021	2022	2023e	2024e	2025e
Net income	-2.37	0.05	-0.08	0.84	0.85	0.66	0.85
Depreciation of fixed assets	0.03	0.00	0.00	0.01	0.03	0.03	0.03
Amortisation of goodwill	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Amortisation of intangible assets	2.03	1.15	1.42	1.88	1.80	2.00	2.20
Increase/decrease in long-term provisions	0.00	-0.02	0.10	-0.03	0.00	0.00	0.00
Other non-cash income and expenses	-0.32	0.00	0.00	0.00	0.00	0.00	0.00
Cash Flow before NWC change	-0.64	1.19	1.44	2.70	2.68	2.70	3.08
Increase / decrease in inventory	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Increase / decrease in accounts receivable	0.14	-0.06	0.00	0.21	0.06	-0.20	0.00
Increase / decrease in accounts payable	-0.17	0.09	-0.07	0.06	-0.05	0.10	0.10
Increase / decrease in other working capital positions	0.25	-1.25	-1.46	-3.75	0.00	0.00	0.00
Increase / decrease in working capital (total)	0.22	-1.22	-1.53	-3.48	0.01	-0.10	0.10
Net cash provided by operating activities [1]	-0.42	-0.04	-0.09	-0.78	2.69	2.60	3.18
Investments in intangible assets	-0.03	-1.45	-1.70	-3.15	-1.80	-2.00	-2.20
Investments in property, plant and equipment	-0.02	0.00	-0.03	0.00	0.00	0.00	0.00
Payments for acquisitions	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Financial investments	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Income from asset disposals	0.00	0.05	0.03	0.00	0.00	0.00	0.00
Net cash provided by investing activities [2]	-0.05	0.00	-0.02	-0.17	-1.80	-2.00	-2.20
Change in financial liabilities	0.20	-4.38	-4.38	-3.44	0.00	0.00	0.00
Dividends paid	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Purchase of own shares	-0.13	0.00	0.00	-0.12	0.00	0.00	0.00
Capital measures	0.00	4.38	4.38	8.39	0.00	0.00	0.00
Other	0.00	-0.05	-0.39	-0.40	0.00	0.00	0.00
Net cash provided by financing activities [3]	0.08	-0.05	-0.39	4.43	0.00	0.00	0.00
Change in liquid funds [1]+[2]+[3]	-0.39	-0.09	-0.50	3.48	0.89	0.59	0.98
Effects of exchange-rate changes on cash	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Cash and cash equivalent at end of period	0.28	0.19	-0.31	3.17	4.06	4.66	5.64

Financial Ratios

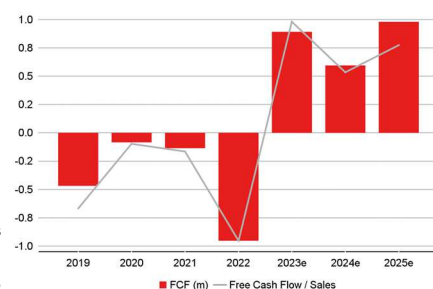
	2019	2020	2021	2022	2023e	2024e	2025e
Cash Flow							
FCF	-0.47	-0.08	-0.14	-0.95	0.89	0.59	0.98
Free Cash Flow / Sales	-16.1 %	-2.8 %	-4.4 %	-22.7 %	22.3 %	11.9 %	17.5 %
Free Cash Flow Potential	-0.05	1.46	1.75	3.14	2.98	3.00	3.38
Free Cash Flow / Net Profit	19.7 %	-179.2 %	172.5 %	-114.0 %	104.8 %	89.5 %	115.5 %
Interest Received / Avg. Cash	0.1 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Interest Paid / Avg. Debt	3.2 %	3.2 %	5.0 %	7.7 %	12.1 %	12.1 %	12.1 %
Management of Funds							
Investment ratio	1.7 %	47.5 %	55.5 %	75.0 %	45.0 %	40.0 %	39.3 %
Maint. Capex / Sales	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Capex / Dep	2.4 %	124.7 %	121.5 %	166.2 %	98.4 %	98.5 %	98.6 %
Avg. Working Capital / Sales	0.0 %	-0.6 %	-0.9 %	1.8 %	5.2 %	5.0 %	4.5 %
Trade Debtors / Trade Creditors	94.8 %	102.7 %	85.0 %	160.9 %	166.7 %	175.0 %	140.0 %
Inventory Turnover	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Receivables collection period (days)	51	42	41	49	46	51	46
Payables payment period (days)	137	126	137	115	101	108	121
Cash conversion cycle (Days)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.

CAPEX and Cash Flow in EUR m



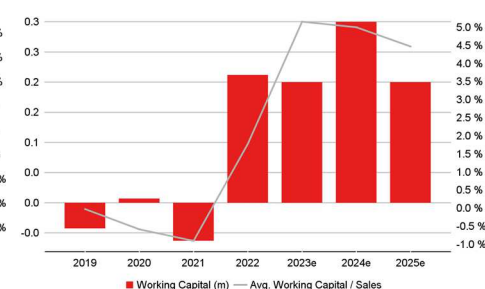
Source: Warburg Research

Free Cash Flow Generation



Source: Warburg Research

Working Capital



Source: Warburg Research

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Company	Disclosure	Link to the historical price targets and rating changes (last 12 months)
Your Family Entertainment	5	https://www.mmwarburg.com/disclaimer/disclaimer_en/DE000A161N14.htm

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Investment recommendation: expected direction of the share price development of the financial instrument up to the given price target in the opinion of the analyst who covers this financial instrument.

-B-	Buy:	The price of the analysed financial instrument is expected to rise over the next 12 months.
-H-	Hold:	The price of the analysed financial instrument is expected to remain mostly flat over the next 12 months.
-S-	Sell:	The price of the analysed financial instrument is expected to fall over the next 12 months.
“-“	Rating suspended:	The available information currently does not permit an evaluation of the company.

WARBURG RESEARCH GMBH – ANALYSED RESEARCH UNIVERSE BY RATING

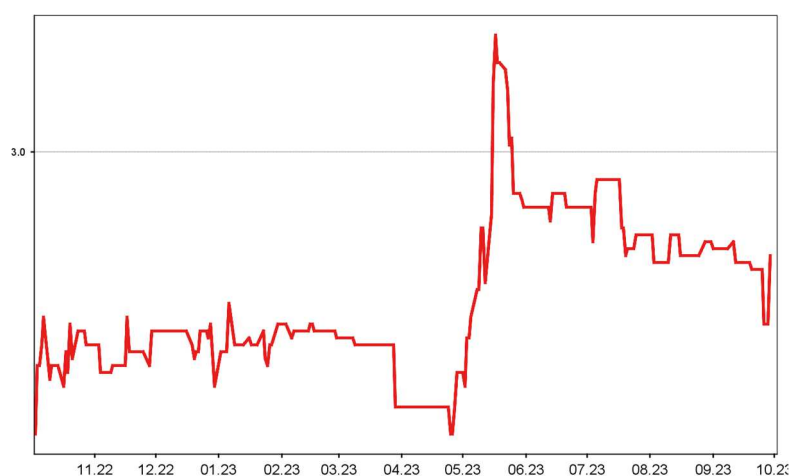
Rating	Number of stocks	% of Universe
Buy	157	74
Hold	45	21
Sell	6	3
Rating suspended	3	1
Total	211	100

WARBURG RESEARCH GMBH – ANALYSED RESEARCH UNIVERSE BY RATING ...

... taking into account only those companies which were provided with major investment services in the last twelve months.

Rating	Number of stocks	% of Universe
Buy	45	87
Hold	5	10
Sell	0	0
Rating suspended	2	4
Total	52	100

PRICE AND RATING HISTORY YOUR FAMILY ENTERTAINMENT AS OF 02.10.2023



Markings in the chart show rating changes by Warburg Research GmbH in the last 12 months. Every marking details the date and closing price on the day of the rating change.

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